

INSTRUCTIONS FOR COMPLETING THE SPECIAL FUEL AND GASOLINE TAX (OFF HIGHWAY) REFUND APPLICATION

A refund of excise tax may be available on purchases of diesel or propane used for any use other than operation of a registered motor vehicle on the highways of this State.

A refund of excise tax may be available on purchases of gasoline used for any of the following purposes:

- operating or propelling commercial motor boats
- tractors used for agricultural purposes not operating on public ways
- registered vehicles operating off the highways of the State
- vehicles owned or operated by railroad companies while operating on rails or tracks
- in stationary engines
- in the mechanical or industrial arts
- any other commercial use except in nonrailroad motor vehicles operated or intended to be operated upon any of the public highways of this State, or turnpikes operated and maintained by the Maine Turnpike Authority.

For either refund, you must be able to demonstrate that Maine excise tax was paid on the fuel and that it was used for an exempt purpose. The fuel will be subject to a use tax. Applications for refunds must be filed with the State Tax Assessor within 15 months from the date of the fuel purchase. Applications may be filed as often as monthly. Original invoices must be retained for six years.

Begin by completing Section 3.

Refunds for gasoline, diesel and propane need to be accounted for individually. A separate column has been provided for each type of product.

Be sure to enter your purchases under the proper time headings:

Purchases made prior to July 1, 2003

Purchases made between July 1, 2003 and June 30, 2004

Purchases made after June 30, 2004

Line 1. For line (a), enter the total purchase price of the fuel, including all taxes and fees. Separate the amounts paid for gasoline, diesel, and propane in the columns provided. For line (b), enter the number of gallons of each type of product in the column provided.

Line 3. Multiply the excise tax rate shown on line 2 by the number of gallons entered on line 1(b) for each type of fuel.

Line 4. Use tax is due on the purchase price of the fuel, less the Maine excise tax paid. For each column, subtract the Maine fuel tax paid (the amount on line 3) from the total purchase price, including taxes (the amount on line 1(a)).

Line 5. This is the excise tax rate that is refundable. Maine Revenue Service keeps 1 cent per gallon for processing and administration costs.

Line 6. To determine the amount of excise tax to be refunded, multiply the refundable rate (the amount on line 5) by the number of gallons purchased excise tax paid (the amount on line 1(b)).

Line 7. To determine the amount of use tax due, multiply the purchases subject to use tax (the amount on line 4) times the Maine sales tax rate of .05 (5 cents per dollar). *If your activity qualifies as manufacturing, multiply by .0025, not .05.*

Line 8. To determine the net amount of your refund, subtract the use tax amount due (the amount on line 7) from the excise tax refund calculated on line 6.

Section 1. Summary of Claim

Lines 1-3. Transfer the amounts from the reverse side (line 8) for each time period by product type. See the example below.

Line 4. In the column for Gasoline, add the amounts on lines 1-3. The result will be the total refund amount for all purchases of gasoline. Repeat for Diesel and Propane.

Line 5. Add together the amounts on line 4 for Gasoline, Diesel and Propane. The result should be the total amount claimed as a refund for all purchases.

Example: Excise tax paid purchases were made in June 2003 of 100 gallons of gasoline for \$198.00 and 102 gallons of diesel for \$220.00. The net refundable tax is calculated in Section 3 and transferred to Section 1. The gasoline was used to power a number of chainsaws. The diesel was used in a farm tractor. The gallon usage is recorded in Section 2.

Section 3

For fuel purchases made PRIOR to 07/01/03	Gasoline	Diesel	Propane
1. Maine tax paid fuel used off-highway for the period			
(a) Total purchase price including all taxes	198.00	220.00	
(b) Number of Gallons	100	102	
2. Applicable Rate	.22	.23	.16
3. Maine Fuel Tax Paid	22.00	23.46	
4. Purchases subject to sales/use tax	176.00	196.54	
5. Refundable Rate	.21	.22	.15
6. Refundable Tax	21.00	22.44	
7. Sales/use tax due	8.80	9.83	
8. Net Refundable Tax (line 6 – line7)	12.20	12.61	

Section 1. Summary of Claim

	Gasoline	Diesel	Propane
1. Claim through 06/30/03	12.20	12.61	
2. Claim for 07/01/03-06/30/04			
3. Claim for 07/01/04-present			
4. Subtotals	12.20	12.61	
5. Total Tax Refund			24.81

Section 2. Breakdown of Gallons Used

For each type of fuel, provide a gallon breakdown for how those gallons were used in an exempt activity.

	Gasoline	Diesel	Propane
6. Tractors used for agricultural purposes		102	
7. Unregistered vehicles used off highway			
8. Boats (excluding noncommercial gasoline use)			
9. Stationary engines			
10. Mechanical or industrial arts	100		
11. Other			